

*The Address—Mr. Gillis*

In my part of the country we have not the highest, but close to the highest, unemployment in Canada. Ten per cent of our total labour force is unemployed. It is not seasonal, it is permanent. This situation will remain until the government has some definite plan for the establishment of a small subsidiary industry in the maritimes, and the restoration of some of the markets, particularly in New Brunswick, that were lost because of the mix-up in international marketing. The situation in the maritimes is not seasonal, it is permanent. The thing to do is to immediately find the spots where the problem is serious, such as Toronto, and then the federal government should make available the Unemployment Relief Act, at substantial rates, until such time as the unemployed find gainful employment.

It is rather frightening when you think that we have just come through a major conflict. The unemployed in Canada were the ones who fought it. A few years after their return, with a threatening international situation and the possibility of another war, whom do you think those fellows are going to shoot at the next time? They have had one experience. They are human, and many of them are the boys who came back from this war. Rather than take the complacent attitude we have taken on this question, the federal government, the Minister of Labour (Mr. Mitchell), or his assistants, should announce that in sections in which there is a large percentage of unemployed not in receipt of unemployment insurance benefits, relief will be made immediately available. This would provide them with shelter and something to eat until such time as they could find employment. Serious repercussions will be forthcoming from this situation unless something like that is done.

The main point to which I wish to address myself this afternoon is the question of the Canadian National Railways and its purchasing policy in the field of fuel. I am sorry the Minister of Transport (Mr. Chevrier) is not in his seat. Theoretically, the Canadian National Railways is the property of the people of Canada. Any time anyone outside this house criticizes the Canadian National, it is always characterized as a government operation. It is a good example of government management. You pay a large deficit each year, and it is attributed to mismanagement, or something of that sort. I am glad this controversy came up because it at least gives us a chance to do one thing.

When the Minister of Transport made his statement to the house on February 17, there were one or two significant paragraphs in it on that particular point of government man-

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agement. I am going to read that back into the record. It will be found on page 23 of *Hansard* for February 17. He said:

Since the reductions were announced, officers of my department and myself have been in constant touch with the management of the Canadian National on this question of coal supply. I have asked the new chairman and president, Mr. Donald Gordon, to give me a memorandum setting out in detail the events—

And so forth. The minister said that prior to the reduction in services of 25 per cent, neither he nor the government had been consulted by the board of directors of the Canadian National Railways. Does that sound like government management? Does it sound like a government-operated road? So far as this house is concerned, the balance sheets are brought before us once a year, and the minister asks for the necessary funds to wipe out a large deficit. That statement clearly indicates that the president and board of directors operate the railroad as they see fit, without any consultation with the minister or the government. I believe that is slack business. I am not blaming the Minister of Transport for that, because the government as a whole has to take the responsibility for the actions of any of its ministers.

In view of the minister's position, one would have thought that before such a drastic step was taken by the board of directors they would at least have called in the minister and asked for his advice as to whether or not the reduction should be made. The minister says they did not do that. I am not blaming the Canadian National Railways for that. I am blaming the government, the cabinet as a whole, for not having the necessary foresight to compel the management to consult with the Department of Transport if and when difficulties arise that warrant public attention, and particularly such a difficulty as this which so seriously affects the public from one end of the country to the other.

This afternoon the minister read statements from Mr. Vaughan and Mr. Gordon. Mr. Gordon's statement clearly sets out that the blame for the present difficulties of the Canadian National rests with the United States, because of the disruption in coal mining; that is his alibi. In another letter Mr. Vaughan states that the trouble is in the United States. Contracts were made for the delivery of certain American coal, and if that coal had been available for stockpiling purposes no trouble would have been experienced. Again, the blame is laid over in the United States. This situation was well known to the government some time ago, or at least to the Minister of Trade and Commerce (Mr. Howe). I am sorry he is not in his seat this afternoon. According to the press, he is roaming around Rome.